

Types of Contract Offerings

- **Flat/Cash Price** - The contract establishes the quantity to be purchased, the price at the time the contract is initiated, and the delivery period. Calculation: Futures price (+/-) basis = Cash Price. Utilized when want to know their final price.
- **Basis** - The contract establishes the quantity to be purchased and the basis price, however the final price is determined by a formula. Calculation: Futures price (+/-) the basis that was agreed to on the original contract. Utilize when want to move bushels, however believe there is upward potential in the futures market.
- **Basis Credit** – The contract establishes the basis, the bushels are delivered, however the futures prices will be set later.
- **Hedge to Arrive (Futures Fixed)** - The contract establishes the quantity to be purchased and the futures price, but the final price is determined by a formula. Calculation: Established futures price (+/-) the basis on the date the contract is priced. The contract does not have a set delivery date and will be determined when the basis is set. The contract must be priced prior to delivery or it will be set at market price the day of delivery. Utilize when want to lock in futures however are unsure of delivery timeframe or believe potential upward in basis.
- **Spot**- Grain delivered on that day without a contract is priced at CBOT +/- posted basis on that day.
- **Price Later** – This contract allows for delivery without setting futures or basis.
- **JSA Select** - This is a managed futures program where the producer (not available for commercials) enrolls a specific number of bushels of corn within a delivery window whereas JSA is responsible for establishing the futures price within a specified pricing period.
- **Accumulating Swap**- Allows for daily accumulation with price at level's above today's market. In exchange for higher price the producer will commit an unknown quantity. Works well as part of new crop selling strategy. **Conservative is key as this contains a double up feature.**
- **Accumulating Swap Guaranteed Quantity** – Similar to Accumulating Swap, however this has a guaranteed quantity. In exchange for guaranteed quantity, producer pricing is somewhat unknown. Still favorable pricing vs current market, however not as attractive as the Accumulating Swap. **Conservative is key as this also contains a double up feature.**
- **Offer Plus** - Premium paid today in exchange for an agreement to sell if the futures if at or above a certain price level. Utilized when need to move nearby corn, however current market is not at the price point.
- **Modified Floor Average** – Offers the ability for producers to have a floor price, as well as participate if market moves higher on an average basis. Known quantity and known floor price in exchange for cost on the contract. Utilized when floor protection is wanted but believe the market may move higher.
- **Min Max** – Offers a floor and ceiling price to the market in exchange for a known quantity. Producer will know minimum price on the day they contract, however final price not known until the contract settles. Utilized when price protection is wanted with some potential upside.

Disclaimer: This is a summary of contracts offered and is not meant to be binding. This can be changed at any time at the discretion of the plant. In addition, details of the contract terms are outlined within the contract itself. Please contact the Commodity Manager for more details on these offerings.